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ABSTRACT

To assess the state's role as an instrument of national education policy, researchers examined four states' responses to federal programs under Title I of the Elementary and Secondary Education Act and under the Education for All Handicapped Children Act. They focused, first, on how states' political and organizational contexts interacted with federal program characteristics to shape the response patterns of state education agencies (SEAs), and, second, on the consequences of SEA response patterns for federal policy objectives. Data were gathered through interviews with state legislators and staffers, SEA officers and personnel, professional and client groups, and others. The variables considered included federal and local policy and management choices, state governmental and resource contexts, state political culture (popular attitudes toward the political system), SEA organizational characteristics, local social and political contexts, school district characteristics, and program design and delivery. Research results indicate that a state's political culture, especially the state government's traditional relationship with local jurisdictions, is the chief factor affecting state and SEA implementation of federal programs. The researchers discuss the implications of their findings for federal block grant proposals and enforcement of federal program requirements. (Author/RW)

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THE STATE ROLE IN EDUCATION: INDEPENDENT ACTOR OR JUNIOR PARTNER?

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INTRODUCTION

In the introduction to his essay, "The Federal Setting of State Policies," Kenneth Vines cites Woodrow Wilson's 1908 argument that: "the question of the relations of the states and the federal government is the cardinal question of our...system."[1] Yet throughout American history, this relationship has remained one of the least examined issues. Certainly federal policies beginning with the major Supreme Court decisions of the nineteenth century and continuing through the massive expansion of federal grants-in-aid in recent times point to change in our notions of federalism and the relationship between the national and state governments. One need only think of the images used to depict this relationship: they begin with the nineteenth century notion of dual federalism and its "layer cake" analogy on through the "marble cake," and eventually arrive at the "picket fence" metaphor of the 1960s.

However, we would argue that these notions of federalism are simply a by-product of public policy at any given point in time. Rarely since the time of the Federalists has the role of state government been debated independently of specific interests and policies.[2]

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[1] Kenneth N. Vines, "The Federal Setting of State Policies," in Herbert Jacob and Kenneth N. Vines, eds., Politics in the American States, third edition, Little Brown, Boston, 1976, p. 3.

[2] In his essay on states in the federalist system, Leon Epstein argues:

> Most writers on American federalism have preferences about how powerful state governments should be in relation to national authority. Now as always these preferences mingle with interests whose representatives perceive their substantive policy goals as more readily achieved at one level of government than another. It is hardly realistic to analyze federal relations without an awareness of the political interests seeking to influence the distribution of governmental powers.

Leon D. Epstein, "The Old States in a New System," in The New American Political System, American Enterprise Institute, Washington, D.C., 1978, p. 325.

The American concept of federalism and judgments about the relative authority of state governments depend not on some national ideology about the proper role of state government, but rather on an operational definition of federalism that changes as public policy preferences shift. Consequently, the relationship between states and the federal government is often ad hoc and fragmented.

Traditional beliefs about federal-state relations can be traced to the Federalist Papers and Alexander Hamilton's notion that each level of government ought to contain in it the power and resources to be self-sufficient.[3] With the Depression, however, the federal government began assisting states by transferring funds to them. Despite this radical change in practice, the national ideology was never altered. The federal government neither transferred to the states the revenue-gathering capacity needed to support massive "pump-priming" efforts nor did it directly mount and administer such programs. Instead, it became a bank for the states, permitting wide variation in policy and practice.[4] In education policy this has led to what John Meyer calls "the centralization of funding without authority."[5] The result has been broad variation in state level federal program implementation and difficulty in the coordination of multiple federal programs at all three levels of government.

As the federal grants-in-aid system has expanded, ambivalence about a proper state role has persisted. The balance of power and division of responsibility among governmental levels has shifted

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[3]Alexander Hamilton, Federalist Paper No. 31 in American Library Edition, New York, 1961, p. 194. From Hamilton's concept emerged the notion of "layer cake" or dual federalism. Each level of government was to be independent of the others in both its responsibilities and resources.

[4]Edward K. Hamilton, "On Nonconstitutional Management of a Constitutional Problem," Daedalus, Vol. 107, No. 1, Winter 1978, p. 115.

[5]John W. Meyer, The Impact of the Centralization of Educational Funding and Control on State and Local Organizational Governance, paper prepared for presentation at the HEW School Finance Study meeting on Resource Allocation, Service Delivery, and School Effectiveness, September 1979, p. 13.

depending on how national policymakers view state capacity and will at any given time.[6] During the 1960s, for example, academics as well as politicians argued that cities were "better instruments of popular government" and that state government was likely to siphon off money needed by the urban poor.[7] By 1979, 25 percent of all federal grants-in-aid funding bypassed state governments and was allocated directly to local jurisdictions, as compared with only 8 percent in 1960.[8]

Ambivalence about the state role is particularly evident in education policy. The programs included in the Elementary and Secondary Education Act, notably Title I, which provides funds to serve educationally disadvantaged students, were designed to meet the special needs of children traditionally unserved by states and school districts. Yet, with few exceptions, the federal government sends the bulk of this money directly to the states which then monitor its use by local education agencies. At the same time, the federal government has attempted to reconcile its somewhat ambivalent view about states by imposing targeting, fiscal tracking, and evaluation requirements on them. Uniformity has been a hallmark of these federal requirements. They apply not only to areas where state commitment has traditionally been weak like services for low income students, but also to areas where state commitment is relatively strong, as in the case of handicapped education. These regulations apply equally to mature and to recently-implemented programs; they also apply in cases where compliance has been substantially achieved and where continued adherence to federal regulations may adversely affect effective educational practice.

Recent education block grant and consolidation proposals represent a different set of political interests than those that prevailed in the 1960s and 1970s. The present concern is with minimizing the federal role and providing state education agencies and school districts with more autonomy. But this latest debate only illustrates once again how vulnerable

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[6] For example, in the revenue sharing legislation of 1972, the House and Senate took very different positions on the allocation of federal funds within the states. The Senate version favored state governments, while the House version would have allocated a greater proportion of funds directly to local jurisdictions. The assumption underlying the House's position was that urban concerns are not well-served by state governments, traditionally more receptive to rural and suburban interests.

[7] Robert A. Dahl as cited in Epstein, op. cit., p. 327.

[8] David B. Walker, "Congressional Federalism: The Dominant and Debilitating Approach to Contemporary Intergovernmental Relations," paper presented at the 1980 Earl Warren Memorial Symposium, University of California, San Diego, November 1980, p. 1.

state role is to whichever interests currently prevail and the level of government at which these groups believe their interests will be best served.

The concepts and practices that replaced Hamilton's dual federalism, then, are ad hoc and do not depend on any stable constitutional definition. Nor are they based on extensive knowledge of state policies and practices. Lack of information about the state role in federal education policy has supported this traditional ambivalence about state function and has allowed ideology to dominate policy debates. Although the states serve as a major instrument of national education policy, little is known about their role in implementing federal education programs or their relative effectiveness.[9]

This paper reports the findings of a recent study that addressed this issue. We examined four state education agencies (SEAs) and their approach to federal program administration.[10] The two largest federal education programs, Title I of the 1965 Elementary and Secondary Education Act (ESEA) and the Education for All Handicapped Children Act (PL 94-142), were a primary focus of this study.[11]

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[9] Several studies have examined state level implementation of a single federal education program, but few have taken a comparative perspective and analyzed multiple programs. For examples of single program studies, see: Jerome T. Murphy, State Education Agencies and Discretionary Funds, Lexington Books, Lexington, Massachusetts, 1974; Lorraine M. McDonnell and Milbrey W. McLaughlin, Program Consolidation and the State Role in ESEA Title IV, R-2531-HEW, The Rand Corporation, Santa Monica, California, April 1980; and Margaret A. Thomas, State Allocation and Management of PL 94-142 Funds, N-1561-ED, The Rand Corporation, Santa Monica, California, September 1980.

Last year the General Accounting Office completed a study that examined eleven federal programs at the state and local levels. However, this research focused only on duplication of services and administrative costs and did not examine other aspects of program implementation. An Analysis of Concerns in Federal Education Programs: Duplication of Services and Administrative Costs, Report to the Congress of the United States by the Comptroller General, U.S. General Accounting Office, Washington, D.C., April 30, 1980.

[10] The research upon which this paper is based was supported by a grant from the National Institute of Education. The full report will be published by The Rand Corporation, Santa Monica, California.

[11] In FY 81, total appropriations for Title I equaled $2.6 billion, with $767 million allocated for 94-142.

Two general questions guided our research:

- How does the state political and organizational context interact with federal program characteristics to shape SEA response to federal education programs?
- What are the consequences of various SEA response patterns for federal policy objectives?

STUDY METHODS:

The four states selected for this study were a sub-sample of the eight states included in the fieldwork sample for our earlier study of ESEA Title IV.[12] Using this strategy, we were able to sample purposively and to build on our existing data base. Also, since data for the second study were collected two years after the first, we could make longitudinal comparisons. These were important because one SEA had experienced major leadership changes and another state's financial condition had worsened significantly in the two-year period.

The original eight states were selected to maximize variation on a number of dimensions including: region, demographic characteristics, relationship between the SEA and local districts, SEA size, structure, and approach to federal funds management. In selecting this study sample, we tried to maintain variation on these dimensions, but also to select states that differ substantially in their organizational capacity.[13] Thus the states in our sample constitute various stages in

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[12] McDonnell and McLaughlin, op cit.

[13] In categorizing states along a set of common dimensions, we relied not only on data from the four states included in this study, but also on information from twelve other states that we visited in the course of our Title IV research and an earlier study of the major political and bureaucratic problems states face in managing federal education programs. See: Lorraine McDonnell and John Pincus, Federal Aid to Education: An Intergovernmental Perspective, The Rand Corporation, Santa Monica, California, 1977. In addition to these fieldwork data, we are drawing upon survey data collected from federal program managers and Title IV administrators in all fifty states as part of the Title IV study.

We should also note that two of the states in the present study sample were included in other major studies of state education policy, while the other two have not been. See: Martin Burlingame and Terry G. Geske, "State Politics and Education: An Examination of Selected Multiple-State Case Studies," Educational Administration Quarterly, Vol. 15, No. 2, Spring 1979, p. 61.

the development of SEA and general government capacity.[14]

Both authors spent a week between October and December 1980 in each of the four sample states. We interviewed approximately thirty people, including: selected legislative and gubernatorial staff, state legislators serving on the education or finance committees, SEA personnel at both the policy and operational levels, state board of education members, representatives of relevant professional and client groups, and general information respondents like newspaper reporters and university professors who could answer general questions about state politics. We also interviewed a limited number of intermediate unit personnel, particularly those involved in delivering Title I and handicapped education services to school districts. Interviews were open-ended and lasted from one-and-half to two hours. Record data provided by respondents and published analyses of the states' political and economic context supplemented these interviews. In order to promote respondent candor, we promised confidentiality. Accordingly, this paper will not identify states or individual respondents.

CONCEPTUAL FRAMEWORK

Figure 1 represents our model of federal policy implementation and the factors affecting state and local response. It rests on two assumptions. First, it assumes that federal policy will be transformed as it moves through each level of government--from Congress to the Department of Education (ED), from ED to the states, and from the state to school districts. Second, the model assumes that each level of government has its own goals and viewpoint about federal program objectives, and imposes its own set of organizational and political constraints on program implementation. As a result of these differences, we assume not only procedural changes, but also substantive modifications as

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[14] As of 1978-79, the four states in our sample enrolled 16 percent of all the nation's public elementary and secondary school students. Source: The Book of the States, 1980-81, Volume 23, The Council of State Governments, Lexington, Kentucky, 1980, p. 359.

FACTORS AFFECTING FEDERAL PROGRAM IMPLEMENTATION

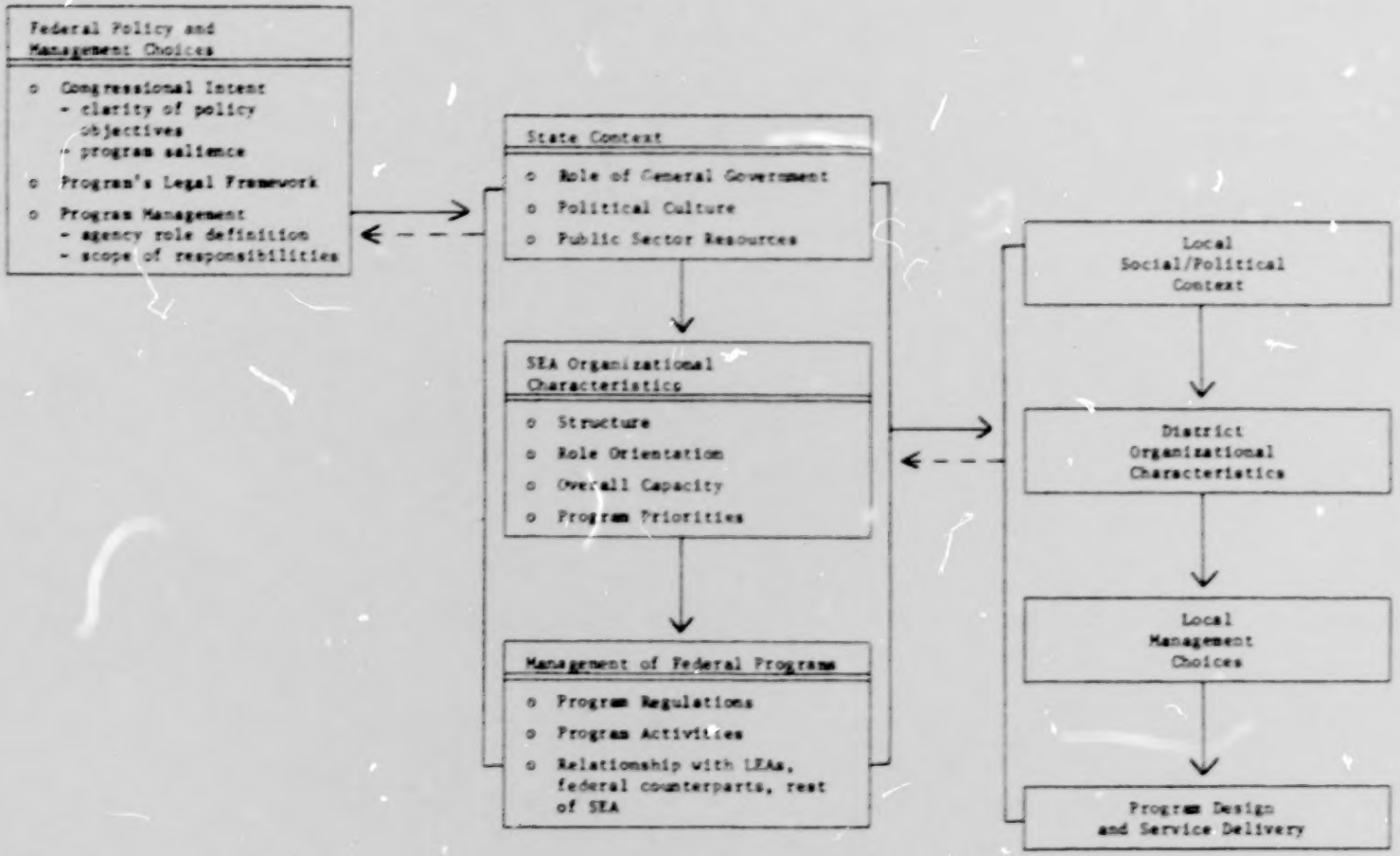

Figure 1

federal policy moves through the three levels of government.

Our conceptual model is designed to address two basic dimensions of federal policy implementation. The first deals with compliance and focuses on the extent to which states actually adhere to federal program regulations. The second stresses programmatic development and examines ways in which substantive federal policy goals have been operationalized.

Compliance with federal program regulations is a particular and limited notion of implementation. Compliance denotes the extent to which minimal structures or routines have been established and followed. Many would argue that mere compliance is insufficient to accomplish federal goals. A program is more than rules and regulations and is fully implemented only when the original policy aims have been operationalized in some tangible way. A state's role in program implementation can mean little more than formulating guidelines, monitoring local districts, and auditing expenditures, or it can involve substantive program planning and the provision of resources and technical assistance to local districts. State level implementation in this fuller sense involves programmatic development and the substantive involvement of SEA staff. This second dimension of the state role directs attention to issues such as level and type of technical assistance, frequency of contact with local districts, coordination and interaction of state and federal program efforts within the state department, and level of staff expertise. It also requires examination of the extent to which compliance requirements within and across programs support or conflict with programmatic development.

A state's role in federal policy implementation, then, is a dual function of its compliance response and program development concerns. SEA management of federal programs is jointly determined by federal policies and practices, the SEA's broader political context, and SEA institutional characteristics.

Federal Policy and Management Choices

Three broad federal level factors shape state response to federal categorical objectives and requirements:

- o Congressional intent
- o A program's legal framework
- o Program management

Congressional intent specifies a federal program's basic goals: Who is to be served, how, and to what end? Congressional intent defines federal level assumptions about the nature of the problem as well as the nature of the policy solution. A program's legal framework--a combination of federal law and ED regulation--specifies the program's management model. It outlines targeting, fiscal and evaluation requirements and the role of local and state education agencies. ED program management constitutes federal level operationalization of congressional intent and federal legislation. The way in which federal program staff carry out their management responsibilities transmits important cues to their SEA counterparts about program emphasis and expectations for SEA performance.

State Context

State level implementation of federal education programs is influenced by multiple and diverse factors. As Figure 1 shows, it is affected by SEA organizational characteristics which, in turn, are shaped by the larger state context. The state legislature and the governor can support or constrain SEA activities in two important ways--through the amount of funding provided for education generally and the SEA in particular, and through their level of involvement in SEA operations.

Interest group activity is an important factor in shaping the role of general government in education. Interest group goals and relative political strength often figure prominently in the outcome of budgetary debates as well as the education governance structure developed at the state level. Similarly, state political culture profoundly influences the role of general government and thus the SEA. Aspects of political culture central to this study include popular attitudes on issues such as: local control, support for public education, the legitimacy of federal intervention, and support for social equity goals. The level of public sector resources available to state government is another factor that limits general government involvement in education as well as the SEA's responsibilities.

SEA Organizational Characteristics

There are four basic organizational variables that affect state management style and federal program implementation:

- o the organizational structure of the agency--e.g., line/staff arrangements, functional organization, staff differentiation.
- o its role orientation in dealing with local jurisdictions--e.g., primarily as a funding conduit, a regulatory agency, or as a provider of technical and implementation assistance.
- o its overall capacity--staff expertise and ability to manage federal programs and assist local districts.
- o the SEA's program priorities and how these relate to federal goals and programs.

Local Education Agencies (LEAs) have an agreed-upon role: providing educational services directly to students. Although LEAs address this objective with different amounts of expertise, resources, and notions of best practice, school districts across the country engage in the same general activities. No such commonality exists for SEAs.

Beyond their mandated responsibilities for teacher licensing, specification of school standards, and development of curriculum and graduation requirements, there is no agreed-upon SEA role. Legislators, governors, educators, citizens, and SEA staff differ significantly from state to state in their view of an appropriate SEA role, and how it should be implemented.

Variation in SEA role can be described along two independent dimensions--strength of SEA relationship with LEAs and substantive emphasis of SEA activity. On the first dimension, some SEAs play a strong and active role in the state's education system, promulgating policies and practices that affect LEA operations in multiple ways. Others occupy a more passive position in the state's education policy system, attempting little more than mandated responsibilities, and these with little vigor. On the second dimension, some SEAs define agency activities primarily in terms of technical assistance, minimizing regulatory aspects of the SEA function. At the other end of this continuum, some SEAs see their role almost exclusively in terms of regulation and enforcement, and offer little programmatic assistance to local education agencies.

Associated with variation in state role are differences in the organizational arrangements and procedures that structure SEA activities, and in the institutional capacity that supports them. These dimensions--organizational structure and institutional capacity--determine how the SEA carries out its assumed role and priorities. Structural differences are both formal and informal and describe the extent to which the SEA is organized along categorical or functional lines as well as the amount of coordination that takes place among different categorical programs and between general and categorical programs. Institutional capacity refers to the resources, staff expertise, and agency rationale that support SEA efforts and determines the overall ability of the SEA to carry out its role.

SEAs, in short, choose to do different things; they also go about the same activities differently. Differences in SEA role, priorities, structure, and capacity mean that the practical definition of "SEA implementation" as applied to state and federal programs can vary significantly from state to state.

State Management of Federal Programs

All of these factors--federal policies, SEA contextual factors, and SEA organizational characteristics--work together to define state management of federal programs. By determining what an SEA does to implement a federal education program, these factors specify the SEA's federal policy role--junior partner or independent actor. An SEA assuming a junior partner function will take its cues almost exclusively from the federal level, making few decisions of its own about federal program implementation. An SEA choosing the role of independent actor, conversely, will shape federal programs to its own state needs and objectives. The SEA faces a number of options when a federal program is implemented. First, it must decide whether it is going to send program funds to local districts essentially as transmitted from the federal government or whether it will place additional state regulations on the use of these funds. Some state regulations may significantly affect the substance of a federal program such as those defining the class size and instructional time of local Title I programs. Other regulations are more procedural and do not directly affect program substance (e.g., state regulations that go beyond 94-142 in specifying the composition of local district committees for the handicapped).

Second, SEAs must decide what program activities they will undertake with federal administrative funds and state set-asides. For example, will staff concentrate on monitoring and technical assistance directed only at local compliance or will their technical assistance deal with program substance? Or, will an SEA provide local services itself or contract with another institution like a college or university for these services?

In managing federal programs, SEAs also must determine the nature of their relationships with federal and local program staff. Federal-state relations, of course, are strongly influenced by the amount of autonomy an SEA chooses to assert in federal program management. State-local relations are defined by an SEA's federal program implementation strategy--i.e., whether an SEA chooses to emphasize regulation or assistance in its federal program role. Finally, an SEA must make choices about a federal program's relationship with other state or federally-funded projects and with general education activities. Will federal program activities be coordinated with other SEA efforts or will they be ancillary and isolated?

In summary, state management of federal programs greatly depends on the type of SEA responsible for these programs and the larger state context in which the SEA operates. Each of these variables represents a point at which the goals, decisions, and resource base of one governmental level impinges on the actions of the level above it. As a result, federal education programs that leave Washington in one form may arrive in local districts significantly altered. Our research task, then, was one of explaining how and why programs are transformed, and how these changes affect overall program effectiveness and the integrity of federal goals. Subsequent sections of this paper summarize our findings about the influence of the broader state context on SEA policies and practices and, in turn, about the differential effects of SEA management for ESEA Title I and 94-142. Finally, we draw lessons for state and federal policymakers from these findings.

STATE POLITICAL CONTEXT AND ITS EFFECT ON FEDERAL PROGRAM IMPLEMENTATION

Although SEAs are directly responsible for state level implementation of federal programs, their actions are shaped by the larger political environment in which they operate. Important state contextual factors include: the role of the governor and the legislature in educational politics, interest group strength, state political culture, and the fiscal health of the public sector. Each of these factors can support or, as is more often the case, constrain

federal program implementation. In fact, our research indicates that the larger state context, particularly political culture, significantly limits the latitude SEAs have in implementing state and federal programs and in dealing with local districts.

Role of General Government

As state legislatures and governors' offices have become more professionalized, their interest, at least in the fiscal aspects of education, has increased. In most states public education accounts for between 30 and 35 percent of total state expenditures and usually constitutes the largest single item in the state budget. Consequently, even if the substance of public education were not a political issue, its funding would be. The governor, state legislature, and various constituent groups pay close attention not only to the total amount spent on public education, but also to how funds are allocated among local districts and programmatic purposes. But, somewhat ironically, as general government's expertise in education policy has improved, its support and interest in the substantive aspects of public education has decreased. Because of declining enrollment and the public's growing criticism of public education, governors and legislators now find that playing an active role in education policy can be a political liability. Consequently, there are "few education governors" today and as long-time supporters of public education retire from state legislatures, few younger members are replacing them.

Although fewer governors and legislators are assuming a leadership role in education, we observed in the course of our research that where it does occur, the whole education policy system is energized. This is particularly true when the governor of a state takes an active interest in education policy. Public education is made more visible; the SEA has a powerful ally in its requests for increased appropriations; and morale among state and local educators rises because the governor's active support transmits a message that their work is recognized as worthwhile. At the same time, when a governor or group of legislators takes

an active and substantive interest in education policy, the SEA often pays at least a modest price. For example, the SEA may have less flexibility in program implementation because general government officials pay more attention to program details and have definite ideas about how services should be delivered. Still, these costs are usually small compared with the benefits gained from having elected officials actively concerned about public education.

Yet even in states where education enjoys the active support of general government, this support usually does not extend to federal programs for special needs students. In fact, we found that support for the goals and activities funded by federal education programs is minimal outside of SEAs. Governors and legislators are generally opposed to categorical funding and, except for handicapped education groups, those representing special needs students command little visibility or political influence. Even in states with their own programs for special needs students, general government officials either take the position that federal goals should be subordinated to state ones or where this is not possible, that federal programs should operate at the periphery of the state's general education system. In other words, while state commitment to special needs students has grown, this change has not translated into general government support for federal categorical programs. The reason for this lack of support is not just opposition to federal categorical requirements and a preference for block grants, but also a rather pervasive attitude on the part of general government about how special needs students should be served. Even in states with large numbers of such students and a strong state commitment to helping them, governors and state legislators believe that these programs should be subordinated to more general goals like increased competency in basic skills for all students. In effect, governors, and legislators subscribe to a trickle-down theory that argues all students will be better off if overall educational quality is improved.

This lack of support for federal programs also reflects the reality of state politics: politicians win and lose elections not on how well special needs students are served, but on how well the state's primary responsibility for general education is met.

Role of Interest Groups

In examining state level interest groups, we consistently found that organized teachers are the preeminent group among all education interests and that among those representing special needs students, handicapped education organizations are the only client groups with any sustaining influence. Organized teachers derive their influence from financial support of state legislative and executive branch candidates and from their sophisticated lobbying operations. Handicapped education groups like the Association for Retarded Citizens and the Association for Children with Learning Disabilities are well-organized and usually include a network of local chapters extending into most of a state's school districts. Legislators hear directly from local constituents and these groups are viewed as grass-roots organizations expressing legitimate parental and student concerns.

Handicapped education contrasts with Title I and other compensatory education interests that usually lack visible and organized political support. Except for those in the largest urban districts, there are virtually no client groups working on behalf of Title I and compensatory education at the state and local levels. Those speaking for Title I tend to be professional educators, not parents or citizen groups. Given that Title I serves students from poor, largely unorganized constituencies, this finding is not surprising. Title I, in contrast with 94-142, is an example of a program that has been sustained by the concern and actions of professionals working from the top of the system, rather than through grass-roots efforts.

This discussion of state political institutions indicates how strongly they can constrain SEAs in their implementation of federal programs. Since there is little active support for special needs students other than handicapped ones, SEAs must be careful not to make these students too major an agency priority.

especially if it appears such an emphasis comes at the expense of the general education program. In addition, SEA officials often lack the support to do anything more than comply with federal program requirements, particularly when such programs cannot be integrated with similar state ones. Because of general government's attitude toward federal programs, they often not only operate peripherally to similar state programs, but the compliance emphasis stressed by the federal government is also reinforced in the states. The larger state political environment provides few incentives for SEAs to do anything more than meet minimal federal requirements.

Public Sector Resources

This situation is now exacerbated by public sector fiscal retrenchment. Until quite recently states were the most fiscally stable level of government and some even enjoyed annual budget surpluses. This situation is changing as many states face an economic downturn (e.g., Oregon and Michigan) and others must operate under fiscal limitation measures (e.g., California and Massachusetts). The amount of public sector resources available to a state affects not just its own educational program, but also its response to federal programs and mandates. This is particularly true for those federal programs that require a direct state financial contribution (e.g., vocational education with its matching requirements and the service mandates in Section 504 and 94-142). But even for other programs like Title I and IV, maintenance of effort provisions affect how states allocate funds to local districts and the way these funds are eventually spent. Levine and Posner discuss the "displacement effects" that can occur when state and local priorities are skewed and distorted by the need to commit state and local funds to meet federal program requirements.[15]

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[15] Charles H. Levine and Paul L. Posner, "The Centralizing Effects of Austerity on the Intergovernmental System," prepared for delivery at the Annual Meeting of the American Political Science Association, August 31, 1979, p. 1.

To some extent this displacement is occurring in handicapped education. Because of the relatively low federal contribution (approximately 12 percent of excess costs), states have to allocate more and more of their funds to meet Section 504/94-142 service mandates. In some of the most-fiscally pressed states, this comes at the expense of the general education program which must forego increases or in some cases be funded at less than the previous year's level. As would be expected, such situations prompt political backlash and those who support handicapped education are finding it harder to argue their cases successfully.

The fiscal health of a state also affects its commitment to state categorical programs that supplement federal efforts in areas like compensatory and bilingual education. Even those states with a traditionally strong commitment to special needs students are finding it difficult to maintain this support in the face of fiscal stringency and reductions in the general education program.

Political Culture

Despite the major influence of state institutional and fiscal characteristics on federal program implementation, we found that state political culture plays an even more significant role and largely determines how SEAs define their organizational mission. Political culture is probably among the most nebulous concepts used by social scientists. It refers to a distribution of popular attitudes that defines how people of a particular nation or state relate to the political system.[16] Political culture measures the context within which policy is initiated and implemented. It includes popular attitudes towards local control and acceptance of higher levels of government, the role of the political party system, and the legitimacy of other political institutions. During

[16] Gabriel A. Almond and Sidney Verba, The Civic Culture, Little, Brown, Boston, 1965, p. 13.

our most recent research we found that the following elements of political culture were critical in predicting SEA behavior:

- o the balance of authority between state and local jurisdiction
- o whether an active state role has been traditionally viewed as legitimate
- o citizen support for public education
- o public support of social equity goals

In assessing the balance of authority between state and local jurisdictions, we are essentially talking about the notion of local control. Although this phrase has become almost hackneyed from its overuse in political rhetoric, it does represent a very real constraint on state action. For our most recent study, we revisited two states that lie at opposite ends of the local control continuum. In the first state, residents have long accepted the concept of a strong central government and while local officials may complain about the burden of state regulation, centralized control is generally accepted as legitimate, at least in principle. Consequently, state control over local district operations is extensive, particularly in the areas of minimal standards, testing, and mandated participation in state programs. The SEA's testing program extends not just to minimal competency, but also to a series of examinations that rank college-bound students on a whole range of academic subjects. Because districts want their students to do well on these exams, local curriculum is designed to prepare students for the tests. Consequently, SEA mandates affect not only district administrative practices, but also what is taught in local classrooms.

At the other end of the continuum is a state with a strong local control ethos. In education this is manifested in the number and size of individual school districts. Even in the most urbanized areas of the state, districts are small because local control is so

highly valued. As a result of strong local control, state government is weak. The legislature is an amateur one that meets infrequently and the SEA is small with only minimal responsibilities. The residents do not expect the agency to play a major role in local districts and for the SEA to try to do so would be to counter strongly-held norms. Differences between these two states in the strength of local control affect not just how much authority the SEA exerts over the general education curriculum, but also over how federal programs are implemented. For example, in the first state, the SEA requires that local Title I projects meet certain quality standards and that they be integrated into ongoing state and local programs. On the other hand, the state with strong local control norms can do no more than enforce the most basic federal requirements.

Closely related to the notion of local control is the scope of a state's role. In some states, the state has broad responsibilities not just for education, but also for highways, public health, and law enforcement. In other states, the state role is secondary to that of counties and other types of local jurisdictions. Consequently, one is unlikely to find an activist SEA in a state where such a role is not traditionally perceived as a legitimate one for the state to play. Two other states included in our most recent study illustrate this point. In one, the state government has broad responsibilities including most road maintenance and the incarceration of prisoners, including misdemeanants because there are no county road systems and county jails are small. In education the state provides 65 percent of the funding for local schools and controls these expenditures through a detailed reporting system. So, for example, local districts are told how much they can pay teachers, how many students each teacher will teach, how often textbooks will be replaced, and how many clerks and janitors a district can employ. Districts can supplement state support with local tax revenues, but state funds must be spent according to strict state guidelines. About ten years ago, the SEA decided to broaden its technical assistance capacity by establishing regional offices and making certain that at least one SEA staff member visits each of the state's local districts

every day. This plan was implemented smoothly with no opposition and local districts welcomed the additional assistance.

In contrast, another state we visited has tried to implement a similar technical assistance arrangement, but with much greater difficulty. Although SEA staff in this second state are equally competent, they have met strong resistance from existing county units that see such state action as an intrusion on their prerogatives. Part of this opposition stems from an unwillingness to forfeit authority and hence, political resources. But it also derives from the historical fact that a strong state role is not expected or sanctioned by the state's residents. Consequently, the SEA has a more difficult time selling itself. It must present its services as better than those offered by existing local units and thus convince local districts that such a departure from the traditional state role is warranted. This example clearly illustrates how important it is for SEA actions to be consistent with a state's traditional role or at least, for the SEA to be mindful of state role as a constraint when the agency's initiatives deviate from it. Differences in state role also help explain why federal programs do not have a uniform impact in all states. Where a federal program forces the SEA to deviate from its traditional role, the program is likely to be viewed as no more than an appendage with the sense of local ownership so important to effective implementation lacking.

Citizen support for public education has obvious implications for SEA behavior, particularly in a time of fiscal retrenchment. In states where such support is high, education is much more likely to maintain its relative share as public sector budgets contract. Even though public support is diffuse and does not directly translate into active support for specific policies, it gives those SEAs that choose an activist approach yet another resource. So, for example, in a state where public support is high, but elected officials do not play an active role in education policy, the governor and state legislature are more likely to support the SEA's

general purposes and defer to the agency on specific policies. In a sense, then, public support compensates for a lack of active support from political elites.

A final element of political culture, important for our purposes, is public support of social equity goals. The majority of federal categorical programs were established to promote social equity goals by compensating children who are educationally disadvantaged because of poverty, race, national origin, sex, or physical handicap. Given these policy objectives, we assumed that state implementation of federal programs would be more faithful to federal goals in those states where the political culture supports similar social equity concerns. We also expected that such support would be strongest in those states with more heterogenous populations and a large proportion of minority students (e.g., California and New York). Evidence of this support would be primarily reflected in state-funded programs for special needs students.

We found in both our current study and in earlier ones that support for social equity goals is low in most states. This lack of support can be attributed to any number of historical, social, and political reasons including a fairly widespread feeling that such concerns are not the responsibility of state government. Although state commitment to special needs students has grown over the past fifteen years, the kinds of categorical programs initiated by the federal government in the late 1960s are less prevalent in the states. Although all states sponsor programs for the handicapped, only 16 have compensatory education programs and only 22 fund ones for bilingual students. However, even the existence of state programs designed to provide additional funding for such students does not necessarily mean their goals are consistent with federal programs serving similar students. For example, several states have programs ostensibly to provide additional funding for disadvantaged students. But on close examination, we found that their original purpose was not to help poor students, but rather to achieve an unrelated

political purpose like gaining the support of urban legislators for a particular tax measure. Needless to say, programs like these are essentially political side payments and are unlikely to have much effect on the implementation of federal categorical programs.

Even in states with a political culture highly supportive of social equity goals, we found that this did not necessarily translate into more faithful program implementation, at least from the federal viewpoint. Since state and federal goals are similar, these states are more likely to mold federal programs to fit within state-funded ones. Consequently, the result may be greater programmatic development and more effective service delivery, but in some cases it has come at the expense of compliance with federal regulation. This situation demonstrates the trade-offs involved when state commitment to special needs students is high. On the one hand, federal goals are accepted as legitimate. But, from a federal perspective, there may be less compliance simply because the state has a program in place and the federal grant is an insufficient incentive to change existing practices the SEA views as effective.

In sum, the larger political context within which SEAs operate not only defines the role they play in the state education policy system, but also how they respond to the federal programs SEAs are required to administer. Both state political institutions and the more nebulous, but equally important, state political culture place powerful constraints on SEA behavior.

SEA ORGANIZATIONAL CHARACTERISTICS

Four organizational characteristics work together to shape how an SEA manages both state and federal programs. However, we found that two factors dominate SEA implementation response, organizational capacity, and priorities. These SEA characteristics determine whether, how, and to what extent SEA role and organizational structure shape federal program implementation.

Contrary to our expectations, we found that SEA organizational structure had little influence on SEA federal program management, independent of SEA priorities. SEAs confront two broad alternatives in establishing agency organizational structure. They can adopt either a categorical structure, organized around specific state and federal programs, or a functional structure that brings together functions--e.g., mathematics, guidance and counseling, language arts--regardless of their funding source. Most SEAs utilize a categorical structure that mirrors ED program and staff arrangements. This SEA choice is largely due to the central role played by federal funds in SEA organizational development. As a result of the additional resources and responsibilities that accompanied the advent of federal aid, state departments of education have significantly expanded over the last ten years.[17] During their time of greatest growth, most state departments developed organizational structures which matched that of the federal Department of Education and faithfully replicated, unit-for-unit, federal program categories.

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[17] Due to administrative money available from various categorical programs and to other funding, the federal government now provides between 30 and 80 percent of state education agency budgets. In many states, the advent of federal funding meant an extraordinary increase in the size of the SEA.

We found significant variation among our sample states in the structures utilized to manage federal programs. Two states operate a functionally organized agency in which federal program activities were located within substantive areas. Another sample state administers federal programs through a categorical structure which separates federal programs from state funded activities. The fourth state uses a mixed structure, integrating some federal programs and separating others. Organizational structure, we expected, would influence federal program management in a number of ways--interprogram coordination, technical assistance activities, compliance concerns, and federal program objectives. A functional structure, we anticipated, would signify coordination among federal programs and between state and federal efforts. Categorical organization, in contrast, would signal federal program isolation.

This expectation, however, was not met in practice. Instead, we found that differences in programmatic or administrative coordination of federal program efforts could not be explained in terms of structure. One state's functional structure supported a high level of coordination; the other's similar organization evidenced none. Structure, we found, did not dictate process. Instead, this aspect of SEA federal program administration--coordination and integration--was determined by two other SEA characteristics, organizational priorities and general management style. Agency structure does not promote coordination unless management adopts coordination as a goal and establishes the organizational routines--most particularly communication channels and staffing patterns--to support it.

In one of our sample states, for example, where coordination is an explicit management priority, agency leadership have instituted a number of organizational routines that promote clear transmission of SEA goals and priorities throughout the agency and the integration of federal and state programs. For example, the SEA assistant superintendents responsible for general education, state and federal basic skills projects, agency planning and local district relations

meet at least three times a month to review special project applications and materials. They work to ensure that federal project priorities and activities are consistent with those of the SEA, and to identify implications for planning, data collection and communication with the field. Staff assignment is another strategy that supports the coordination of state and federal efforts in this state. In a self-conscious effort to avoid "categorical fractionalization," federal program staff are dispersed through the agency's specialized units. Staff in the reading unit, for example, are funded by the state but also by ESEA Titles I and IV. They are responsible for substantive review of federal project applications both for overall quality and also for consistency with the state's general education program. In addition, the SEA's pro-rata staff time charge policy permits a single SEA specialist to assist local districts with all their reading programs regardless of funding source. Integration of state and federal efforts is also seen across subject areas. For example, Special Education and Vocational Education jointly sponsored a series of workshops on serving handicapped students in vocational education courses.

Through a high level of coordination, then, this state manages federal programs so as to take maximum benefit from federal programs and to assist LEAs in benefiting from them as much as possible. However, it is possible for an SEA to promote coordination of its own activities yet isolate federal program management from on-going SEA affairs. For example, one state in our study has coordinated state general education activities through the assignment of generalists to regional service centers. This staff provides on-going technical assistance to LEAs and serves as broker for SEA specialist resources. However, Title I staff who are part of these regional centers have no line relationship to SEA general education or specialist staff. Instead, they report only to the SEA Title I director, and their activities are seen as functionally separate from general education staff. This SEA response

mirrors the state's general discomfort with federal education initiatives and the inconsistency between SEA general education priorities and Title I's categorical objectives. In general, we found that where either the federal presence or particular federal objectives were seen as ancillary to SEA activities, federal programs were not coordinated with each other or with general SEA activities. Nothing inherent in an agency's organizational structure, in short, ensures or prohibits the integration of federal programs and SEA activities. SEA management must expressly choose coordination as a federal program implementation strategy. This depends both on general management style and whether federal program objectives are seen as a way to further SEA priorities.

Lack of coordination between state and federal efforts has two consequences for federal program implementation: First, because the resulting technical assistance and management activities are fragmented by program and funding source, they are less useful to district staff. Our analysis of a number of education programs suggests that technical assistance is more effective if it is not program-specific, but rather addresses problems common to more than one program.[18] To the extent that state technical assistance addresses district problems regardless of funding source, the implementation of each individual program will be improved. Second, lack of SEA program coordination encourages LEAs to view federal projects as adjunct to local practice. Often this fragmented management style results in redundant program efforts, inefficient use of resources, or even conflicting practice. However, decisions about coordination do not rest with a federal program's SEA staff. It can occur only if federal objectives are consistent with broad state priorities.

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[18] McDonnell and McLaughlin, op. cit., pp. 90-93.

SEA role can be an important factor in an agency's federal program response. However, our research shows that it is important to distinguish between two not always consistent SEA roles--its federal program role and its general state policy role. The general SEA role describes the strength and nature of SEA-LEA relationships. SEAs can take an active or a passive part in the state's policy system; they can define their role in terms of technical assistance or regulation. An SEA's federal education policy role can also be described by these dimensions. It is a joint function of agency capacity and priorities. Not surprisingly, we found that SEAs assuming a weak role in the state's education policy system also act simply as passive funding conduits for federal education funds. They exert little if any influence on local federal education program activities. Level of SEA activity is beyond SEA control in important respects. It depends on overall agency capacity--the level of agency resources, expertise, and rationality--which in turn reflects the level of general government support for an active SEA. For example, one SEA in our study has never had well-developed organizational capacity. The state's strong ethos of local control precludes legislative support for an active SEA. Indeed, even state aid for local education is seen primarily as local property tax relief. As a result, the agency has had little success in attracting well-trained, ambitious staff because of the absence of leadership opportunities and resources. Fiscal retrenchment has reduced the SEA's small general education staff to a skeleton crew. Because of their low agency capacity, federal program monitoring responsibilities dominate SEA activities and staff are strained simply to carry out their mandated state and federal obligations.

In contrast, SEAs which play an active role in the state's policy system can potentially play a significant part in federal program implementation. Active SEAs, of course, require a substantial level of institutional capacity.

This SEA characteristic can contribute to federal program implementation in many areas. For example, strong agency analytical capacity allows the SEA to plan and evaluate federal program activities in the context of other state and local efforts. One state we visited has a detailed local reporting scheme that allows the SEA to track local expenditures by category, student achievement, and special project activities. This SEA also expects to implement a student level data system that will permit staff to analyze the effects of special projects and special project settings over time. Staff expertise, another component of SEA capacity, influences federal program implementation through the substantive review of special project applications and the provision of technical assistance or direction to local projects.

The extent to which SEAs use their capacity to shape federal programs depends in part on whether or not the management model implicit in a federal program's legal framework is consistent with the nature of their assumed role. Some SEAs define their role in terms of directive involvement in local practice. Through their regulations, these SEAs constitute a strong presence in local districts. One such SEA in our sample, for example, controls school recertification standards, professional development for certified teachers, competency test standards and content, school testing programs, and overall local curriculum design. Furthermore, SEA staff closely monitor and evaluate local practices in light of state-established standards. Because this SEA's general role is consistent with a regulatory federal management model, SEA federal program staff have been able to elaborate upon federal regulations to create their own programs.

Other SEAs self-consciously avoid what they see as a "policeman" role and define their relations with LEAs in terms of technical assistance and support for locally-identified activities. For some SEAs, this choice of role definition reflects the educational philosophy of SEA or general government

leadership. In their view, persuasion and assistance will do more to promote stable improvement than mandates and direction. For other SEAs, however, this choice represents more than administrative taste. It represents the constraints imposed on the SEA by the larger political culture. In particular, local control mores preclude a directive SEA role. In such states, a federal program's legal framework that emphasizes regulation and strong SEA oversight of local districts will be fundamentally inconsistent with the broader state role.

For example, two of our states define their role in terms of an active technical assistance function. But this strong technical assistance is generally absent in their federal program implementation. Instead, in these states, federal programs are seen in terms of administrative rather than programmatic responsibility. Thus, in these states, the SEA role differs in crucial ways between state and federally-supported activities.

This inconsistency contributes to the isolation of federal program activities. It also can promote a minimal compliance response on the part of the SEA. That is, rather than jeopardize their overall relations with school districts, SEA staff in such states often choose to do little more than necessary to fulfill the letter of federal requirements. However, our research suggests that this resulting inconsistency between state and federal roles is not inevitable. SEAs can choose to use broader agency capacity in redefining their federal program role to correspond more closely with agency management preferences.

This choice depends on SEA priorities. SEAs that define their priorities in terms of general education and evidence little commitment to particular special needs students demonstrate little effective concern for federal categorical objectives. We saw that where federal program objectives fail to mesh with those of the SEA, an SEA will make little effort to move beyond its federally prescribed role, even if it is inconsistent with SEA management preferences. Conversely, where state-level commitment

exists for federal program goals, SEAs may act to amend or augment the federal management model. However, it is important to note that state level commitment to special needs students is uneven. In particular, state level commitment to compensatory education is not widespread. Although all of the states we visited demonstrated some level of concern for handicapped education, genuine commitment to compensatory education goals was evident in only one state. Although three states had compensatory education legislation, excepting one, these programs were not substantive state efforts but were school finance side-payments. The substantive state level commitment to educationally disadvantaged students seen in one state reflected visible and substantial need. Any state initiative that addressed issues of general educational quality, a concern of all states in our study, would almost certainly have to address this categorical concern as well. But perhaps more importantly, unlike other states we visited, this state level commitment reflects the political influence of legislators representing districts in need of compensatory services and the strength of the interest groups speaking for them.

In this way, then, SEA priorities and capacity work together to define an SEA's implementation response and to determine its status in the management of federal education programs--junior partner or independent actor. Junior partners do not have the institutional capacity that would allow them to shape federal programs to their own goals or preferred management style, even if they wish to do so. Consequently, junior partners in the federal education policy system can do little more than provide a simple compliance response to federal requirements; the SEA serves primarily as a funding conduit. Federal programs, then, arrive in local school districts with no state signature, essentially as designed in Washington.

Independent actor status assumes sufficient SEA capacity to make a choice about its federal program role. This choice can result in one of two outcomes. First, where there is no state level commitment to federal categorical objectives, an SEA can

demonstrate its independence by choosing to provide nothing more than the response required by federal law. SEAs electing this implementation response tend to isolate federal programs and, like junior partner SEAs, serve primarily as a funding conduit. In this case, there is essentially no state imprint on a federal program, and SEA management activities have little independent effect on local federal program practices. Second, where both will and capacity exist, however, an SEA can assume a substantively independent role in federal program management and move beyond a simple compliance response to address program development concerns. SEA program staff can shape local project practices through activities such as application procedures that require coordination of similar state and federal program efforts; the development of additional regulations governing the targeting and use of federal funds; active technical assistance efforts that stress state program priorities or the coordination of state and federal program curriculum; and planning and assistance activities to ensure consistency across state and federal strategies.

SEAs with the capacity to become independent actors in the federal education policy system, in summary, can choose either to employ their capacity to shape federal programs, or to withhold it, thereby minimizing the SEA federal program role. SEA choice rests on institutional priorities and will. The importance of SEA capacity and priorities in responding to federal programs underscores the influence of an SEA's institutional setting on federal program implementation. Both of these SEA characteristics are largely defined not by agency leadership but by state political culture.

THE STATE ROLE IN ESEA TITLE I

Title I of the 1965 Elementary and Secondary Education Act, the nation's largest federal elementary and secondary education program, provides over $3 billion annually to support compensatory education programs for children living in areas with high concentrations of low-income families. ESEA's 1965 passage resolved the historical stalemate over federal aid to local education and established a new federal-state-local partnership in the delivery of educational services. Defining this partnership was a delicate political task. Title I's architects purposely understated the federal and state program roles in order to avoid the spectre of federal intrusion upon local control that traditionally had blocked federal education legislation. Title I's framers also believed that both SEAs and LEAs would need regulatory latitude to develop effective practices. Accordingly, for both political and substantive reasons, the Title I program role at all levels of government was loosely specified in 1965. USOE (now ED) was charged with responsibility for establishing the "basic criteria" against which local use of Title I funds could be measured for consistency with Congressional intent; SEAs were required to develop procedures for distributing funds, approving, monitoring, and assisting local Title I projects. Programmatic responsibilities rested with LEAs who were charged with identifying eligible children and developing programs consistent with federal criteria to meet their "special educational needs." Planners hoped that this division of responsibility was tight enough to provide accountability and establish the legitimacy of federal categorical interests, but also flexible enough to allow for the play of state and local interests in the development of Title I projects.

However, early experience with Title I brought specificity to both federal and state roles in ways Title I's original architects had not intended. Lack of experience with compensatory education, lack of knowledge about effective practice, together with an absence of widespread state and local commitment to Title I's categorical objectives resulted in state and local practices that were clearly

at odds with Congressional intent. Evaluators charged with assessing local practices were unable to identify Title I programs;[19] a review supported by national civil rights groups offered dramatic examples of local non-compliance, and drew attention to USOE's failure to respond to persistent reports from the Department of Health, Education and Welfare's Audit Agency that more than $150 million of Title I funds were being misspent;[20] researchers examining national level data estimated that approximately 3/4 of the states were in non-compliance with the law.[21] At the insistence of Congress, USOE responded to these criticisms by increasing the Division of Compensatory Education staff by 30 positions, seeking the return of about $10 million in alledgedly misspent funds from eleven states, developing more tightly-specified regulations concerning the use and oversight of Title I funds, and shifting from "a passive service-oriented agency providing limited direction" to an aggressive, regulatory agency.[22]

SEAs, taking their cue from this new USOE posture, stepped up their monitoring and oversight activities. In response to a vigorous federal regulatory role, SEA program staff began to define

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[19] E. J. Mosbeck, et al., Analyses of Compensatory Education Programs in Five Districts: Summary, General Electric Company, Tempo Division, Santa Barbara, 1968.

[20] Ruby Martin and Phyllis McLaure, Title I of ESEA: Is It Helping Poor Children?, Washington Research Project, of the Southern Center for Studies in Public Policy and the NAACP Legal Defense of Education Fund, Inc., 1969.

[21] Michael Wargo, Title I: A Reanalysis and Synthesis of the Evidence, American Institutes for Research, 1972.

[22] Jerome T. Murphy, "The Educational Bureaucracies Implement Novel Policy: The Politics of Title I, ESEA, 1965," in Alan Sindler, ed., Policy and Politics in America, Little Brown Co., Boston, 1973, p. 172.

their Title I responsibilities almost exclusively in terms of "clean audit trails" and passing marks from federal monitors. By all reports, this increased federal and state attention to local targeting and allocation of Title I funds has resulted in a high level of compliance with federal program regulation.[23] Although problems occur from time to time, evidence suggests that Title I's legal framework essentially is in place.[24] However, another result of this increased federal emphasis on regulation is that the state Title I role is remarkably similar across the country.[25]

Two themes stand out in our examination of Title I practices in four SEAs: one, the extent to which Title I is seen as an administrative not an educational problem and two, the program's administrative maturity. At both state and local levels, the confusion (or resistance) of the early years over Title I as general or categorical aid and the concomitant funds allocation requirements has largely disappeared. Because compliance concerns dominate Title I practices, however, it is possible that the program's administrative maturity will be unable to serve as the foundation for additional program development.

A major question motivating this study was the role of state level factors in federal program implementation. To what extent do state federal program activities differ and how can those differences be explained? Although we observed state level variation in the details

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[23] See, for example Michael Kirst and Richard Jung, "The Utility of a Longitudinal Approach in Assessing Implementation: A Thirteen Year View of Title I, ESEA," Educational Evaluation and Policy Analysis, Sept.-Oct., Vol. 2, No. 5, 1980, pp. 17-33.

[24] Lawyers' Committee for Civil Rights Under Law, "An Analysis of the Legal Framework for State Administration of Title I of the Elementary and Secondary Education Act of 1965," Washington, D.C., 1977.

[25] See, for example: Robert J. Goettel, et al., The Administration of the Elementary and Secondary Education Act Title I in Eight States, Syracuse Research Corporation, Syracuse, October 1977; SRI International, Trends in the Management of ESEA Title I: A Perspective from Compliance Reviews, Menlo Park, September 1979.

of Title I administration, the overall answer for our sample of states would have to be that there are few significant state level differences in Title I implementation that could substantially affect local practice. Three of the four states we visited run virtually identical Title I programs. Title I efforts in these states are framed almost exclusively in terms of federal mandates and compliance issues. There is little state signature on these Title I programs and almost no program development activity. Although the regional SEA units that characterize two of these states permit on-going contact between LEAs and SEA Title I staff and thus prevent compliance concerns from becoming compliance problems, the regulatory or administrative concerns that dominate these regional interactions do not necessarily lead to better or different Title I programs. And, while this regional structure unquestionably eases the local administrative burden, it is not even clear that it promotes more significantly compliant projects. Title I officials in all states comment that the fundamental purpose and central regulations guiding Title I are well-integrated at the local level. To this point, several Title I staff in our sample states commented that "at least 80 percent of what we have to check is always all right."

In only one state is Title I shaped significantly by state level factors, as SEA staff move beyond a simple compliance response to address program development issues. The consistency between the regulatory management model emphasized by ED Title I staff and the SEA's general policy system facilitates SEA augmentation of the basic Title I framework. The SEA's traditionally strong and directive relationship with LEAs fits with Title I's monitoring and oversight responsibilities. Thus distinctive features of the state's Title I program represent general SEA goals and priorities incorporated into the Title I regulatory routine. For example, SEA commitment to coordination underlies a requirement that LEAs complete a unified application for Title I and the state's compensatory education program; explicit state level concern about questions of program quality directs SEA Title I staff attention and expertise to local project design and outcomes, and requires project modification where promise or effects are not evident. In this state, then, the larger SEA role supports the use of regulation in molding local

projects to reflect state identified priorities and notions of more effective Title I practice. And just as importantly, Title I objectives are congruent with a broader state commitment to compensatory education.

The regulatory posture that presently defines the Title I management model is inconsistent with the broader SEA role in our other sample states. Although one state has the potential to exert substantial control over local practice, the SEA has chosen to use assistance not direction to encourage better local practice. The remaining two states also have identified assistance as the dominant factor in SEA relations with local districts. But in these states, this choice was a question of political feasibility rather than administrative taste. The strong feelings of local control make assistance the only politically acceptable mode of SEA involvement in LEA activities. However, SEA staff contend that since regulatory responsibilities consume the lion's share of SEA Title I administrative funding and the federal emphasis makes compliance ascendant, they have been unable to develop SEA Title I implementation strategies consistent with the broader SEA role.

However, as our analysis of the influence of SEA organizational characteristics on federal program implementation suggests, inconsistency between state and federal program roles may be an incomplete explanation of SEA failure to move beyond a simple compliance response. SEA capacity and priorities determine this choice. One of these SEAs does not have the capacity to do any more than minimally comply with federal mandates. Further, the SEA's weak capacity is even further stretched by the administrative inequities that result from uniform requirements for participation in federal programs. Because this geographically-large state enrolls relatively few Title I students, the SEA receives the minimum allocation for state level program administration. Yet the fixed costs of overseeing its many small Title I projects are the same if not higher than those in states serving more students. That is, the time and travel required to monitor and review a Title I project serving 20 students is not significantly different than that required to oversee a project many times that size. Likewise, the time required to prepare state plans or review local project applications does not vary substantially by project size. SEA

Title I staff, in short, are essentially overwhelmed simply trying to run a compliant program. However, the remaining states have the institutional capacity to take a more active Title I role. But none of our sample states which run effectively identical, federally-defined compliance programs have state level commitment to Title I program goals. All three states frame education priorities in terms of general education; compensatory education is not a state level concern. Consequently, even where capacity exists, none of these SEAs exhibit the institutional will to take a more substantive role in Title I program implementation. Consequently, in these states, Title I remains essentially a federal effort where state factors contribute little to the differential effectiveness of local Title I projects. The lack of variation seen in the procedures of our three sample states testifies to the extent to which Title I regulations have become the Title I program.

In the 1978 Title I reauthorization hearings, Congress noted that "...Title I has matured into a viable approach to aiding the disadvantaged."[26] Indeed, as we have discussed, Title I's administrative maturation is evident across our very different sample states. However, implementing Title I programs consistent with Congressional intent is a two-step process. First, state and local project activities must be administered in a manner consistent with federal regulations. Second, effective practices must be developed to address the needs of target students. Evidence from our sample states suggests that continued strict attention to compliance activities may well impede the ability of SEAs and local districts to address the second goal of program quality successfully. Federal failure to modify its role and recognize Title I's administrative maturity poses a potentially insurmountable obstacle to further program development

Ironically, then, the solution to the early Title I experience has become a significant part of the problem. The first issue underlying Title I program implementation--accurate targeting of program benefits--has been achieved. Now the inflexibility of Title I's legal framework,

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[26] Committee on Education and Labor, U.S. House of Representatives, A Report on the Education Amendments of 1978, H.R. 15, House of Representatives Document 95-1137, 95th Congress, 2nd Session, Washington, D.C., U.S. Government Printing Office, May 11, 1978, p. 7.

combined with its ascendancy at federal, state, and local levels, obstruct efforts to address a second implementation issue, developing more effective Title I projects. The SEAs have become competent administrative partners in Title I; their ability to turn to issues of program quality depends in large part upon a revised federal role.

THE STATE ROLE IN HANDICAPPED EDUCATION

Handicapped education differs from Title I and state compensatory education programs in several important ways: it is more visible to general state government and consequently, more politicized in its administration. Programs for the handicapped also command a greater proportion of SEA resources and currently, present state agencies with some of their greatest management problems.

Several reasons exist for these differences. First, unlike Title I which is essentially a grant-in-aid program, the federal handicapped program (94-142), is both redistributive and regulatory in its intent. It provides state and local districts with financial support for handicapped education activities, but in conjunction with section 504 of the 1973 Rehabilitiation Act and numerous judicial mandates, 94-142 also strongly regulates state and local behavior. Second, 94-142 is a relatively new program as compared with Title I and many of the implementation difficulties 94-142 is experiencing are similar to those that occurred during the early days of Title I. While this suggests that some of 94-142's problems will be resolved as part of the natural policy maturation process, the program will likely continue to experience major difficulties. Title I was initially implemented in a time of public sector growth, 94-142 comes during a period of fiscal retrenchment. Title I also does not require a major state or local financial commitment in the way that the regulatory apparatus surrounding 94-142 does. Finally, 94-142 exists in a very different political context than Title I. The federal government led the states in compensatory education programs and states that have since initiated such programs were largely prompted by Title I. Compensatory education's constituency is stronger in Washington than it is in most states and state level advocates usually represent professional, not client groups. Handicapped education, on the other hand, had its roots in state, rather than federal law.

Although states strengthened their handicapped education statutes in response to 94-142, many already had articulated at least some commitment to handicapped students in earlier laws. Political support for handicapped education is as strong in most states as it is at the federal level. These two factors combine to make handicapped education more of a state level policy priority than compensatory education has even been.

Despite these significant differences, however, state level implementation of 94-142 resembles Title I in one very important way. In their program activities, three of the four states in our sample stress local compliance, rather than program quality or institutional capacity. This emphasis is largely dictated by federal requirements and their emphasis on process, rather than program substance. It also reflects the program's stage of development. That is, the need to make certain that previously-unserved children are diagnosed and then provided with services also requires that SEAs place a major emphasis on compliance. Still, this approach has meant that little attention is paid to the appropriate match between a student's handicapping condition and the service he or she receives. It also has resulted in handicapped students being mainstreamed into regular classrooms with little teacher preparation or training beforehand.

In examining the handicapped education programs in our four sample states, we found that in several basic ways they are similar. State laws were changed to conform with the federal statute; state funds for handicapped education have increased significantly to meet 94-142 mandates; Individualized Education Programs (IEPs) are now prepared for handicapped students; required due process procedures are in place; and even in one sample state that emphasizes technical assistance, monitoring activities consume a lot of time.

The four states also share common implementation problems and similar difficulties in their dealings with the federal government. Some of these problems are characteristic of programs still in an early stage of development. For example, although both professional educators and

parent groups in our four sample states agree that few handicapped children remain to be identified, there is also consensus that the resulting services are not always appropriate or sufficiently comprehensive. This reflects general inexperience with special education as well as serious shortages in specialized personnel and inadequate in-service training for regular classroom teachers. It will be some time before these program needs are met. Although SEAs are required to design a comprehensive program for personnel development as part of their state plans, implementation rests with the states' post-secondary institutions. The SEA has no independent authority to establish or enlarge such programs. Similarly, although due process procedures required by law reportedly are in place, they are not yet working as federal planners intended. In particular, parents often fail to take advantage of them because of insufficient information.[27]

Inadequate financing confounds these developmental problems and is one of the program's most serious problems. Our respondents felt that largely due to the state's financial contribution, basic supplementary services (e.g., speech therapy, small group instruction) for handicapped students are adequately funded. But transportation and private placement pose serious cost problems. All the four states in our sample have substantial enrollments in rural areas. This means that fewer students

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27 One of the problems many of our respondents noted is the middle class bias of 94-142. Parents and professional educators alike argued that 94-142 assumes a high level of parental participation can be guaranteed and that parents will have sufficient information and expertise to press their child's interests before committees on the handicapped and possibly, hearing officers. Regional SEA staff in one state talked about the difficulty of ensuring such parental participation in rural areas with high illiteracy rates where parents can only sign the IEP with an "X.: Similarly, staff in a large urban area discussed the problems in trying to encourage poor parents to come in and discuss their children's programs.

Our findings correspond with those reported by Michael Kirst and Kay Bertken in their study of special education fair hearings in California. They found that low income and minority parents participated less often in hearings than their numbers in school districts would predict. See: "How Fair Fair Hearings?" IFG Policy Notes, Vol. 2, No. 1, Winter 1981, pp. 4-5.

are transported greater distances, thus substantially increasing per capita costs. Private placements usually constitute less than one percent of a state's handicapped student population, but such services tend to be costly, often in excess of $20,000 a year if out-of-state placement is required. While such placements constitute a small fraction of the total costs of handicapped education, they do place a burden on local districts, particularly small LEAs, that are required to share part of these costs with the state. Further, state teacher organization representatives report that the lack of such services seriously compounds the problems faced by regular classroom teachers as they attempt to serve handicapped children into their classrooms.

Although implementation problems are similar in our sample states, SEAs show striking differences in how they manage their handicapped education programs. Variation occurs not only in funding formulas and program activities, but also in the extent to which handicapped education is integrated into the rest of the SEA.

P.L. 94-142 is an unusually precise piece of federal education legislation; it conveys clear and strong signals to the states. In explaining state implementation strategies in handicapped education, then, we need to ask whether federal factors have so overwhelmed state characteristics that handicapped education is essentially a federal program in our sample states. At one level, this seems to be the case. Certainly, the federal context has dictated state level behavior in the areas of due process, IEP preparation, monitoring, and related services. Even the strongly directive SEA in our sample whose own orientation is closest to that of the federal government's, would not operate its own program in the same way if federal constraints were

removed. Certainly federal level factors explain why state handicapped education programs emphasize process over substance and the rapid increase in handicapped education expenditures.

Although the basic mandate to serve all handicapped children in the least restrictive environment and the elaborate due process mechanisms established by 94-142 lie at the core of each state's program, there are still important elements that vary across the states and can be explained by unique state characteristics. The most obvious example is seen in an SEA whose general role is expressly defined in terms of technical assistance. SEA staff have minimized monitoring activities and have used both 94-142 discretionary funds and state support to focus their role in handicapped education on technical assistance. Commitment to special education runs high in this state and thus supports SEA efforts to administer 94-142 in a manner consistent with the broader state philosophy about SEA-LEA relations.

Another example is the differing degree of program integration within each sample SEA. Unlike compensatory education, state and federal handicapped education programs operate as one program in all four sample states. This coordination occurs because state laws now conform with the federal one and both programs serve the same students. However, our sample states differ in the extent to which they coordinate handicapped education with other SEA activities. Two of our states make an express effort to integrate special education with other agency activities. In one of these states, this reflects a general SEA emphasis on coordination. This SEA coordinates handicapped education with other agency activities through the use of 94-142 administrative funds to support staff positions outside the special education division--e.g. physical education, vocational rehabilitation and vocational education. The special education division also sponsors joint activities, such as regional workshops for special education and vocational education directors. In the second state, however, coordination across state and federal efforts is not the SEA norm. The integration of handicapped education and other SEA activities reflects the strong state level commitment to special education program goals. In this state, special education staff coordinate their activities with those of

Title IV-C and the state's primary reading program. Similarly, special education staff participate in site visits to these projects. Coordination also occurs in the state's regional centers where special education and vocational education staff regularly meet together with their LEA counterparts.

Our remaining sample states make little or no effort to coordinate handicapped education with other SEA activities. In one state, the absence of coordination can be explained primarily in terms of SEA management style and capacity. SEA leadership does not encourage cooperation among programs; the SEA operates essentially as a loose confederation. In addition, however, coordination takes time and staff resources. In this low-capacity state, SEA resources are already spread thinly simply to fulfill 94-142 monitoring responsibilities. Thus, coordination becomes a luxury.

In our fourth SEA, however, coordination does not occur for somewhat different reasons. Although it would be possible to coordinate handicapped education with other state and federal activities through the SEA's regionally based LEA service teams, the SEA special education director has chosen not to do so. He is a strong advocate of handicapped education and believes that a strong compliance emphasis is necessary to guarantee special education services across the state. Consequently, he has purposely distanced special education from the SEA's general emphasis on technical assistance and stressed local monitoring and compliance.

To some extent, then, state factors can modify federal level variables and allow a state to stamp its own imprint on even the most tightly-structured federal program. But not all states are able to do this equally well. In one of our sample states, for example, handicapped education is essentially a federal program with few unique state elements. This situation can be partly explained by state characteristics like SEA leadership and capacity, and by a political culture that does not support a strong state role. But the tremendous fixed costs of participating in 94-142 are at least equally significant in explaining this rural state's minimalist implementation response. Even if the state's political culture supported a stronger state role, federal administrative funds barely meet the fixed costs of fulfilling 94-142 monitoring

obligations in the state's many small districts. Even if SEA capacity were sufficient to provide additional staff resources to handicapped education, most of them would still have to be diverted to mandated activities like state plan preparation and local district monitoring.

But perhaps the most important issue facing 94-142 is the lesson this program can learn from the Title I experience. In many ways, regulation and compliance have become the core of Title I, rather than program content or good teaching practice. At one level, 94-142 has the potential to avoid this problem. In contrast to Title I's emphasis on controlling the use of program funds, 94-142 focuses on service entitlements and procedural fairness, and less on where funds for services should be obtained.[28] Consequently, 94-142 has not become bogged down in all the fiscal accounting detail that Title I has. In fact, SEAs and LEAs have considerable discretion in how they spend 94-142 funds.

Despite this fiscal flexibility, however, 94-142 is in danger of following the programmatic history of Title I and continuing to stress compliance at the expense of program quality and institutional capacity. Certainly, this trend is reflected in the states' emphasis on monitoring and procedural issues. The states are simply taking their cues from the

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[28] Beatrice F. Birman, "Problems of Overlap Between Title I and P.L. 94-142: Implications for the Federal Role in Education," Educational Evaluation and Policy Analysis, Vol. 3, No. 3, May-June 1981, pp. 7-8.

federal government and stressing those areas that ED is likely to focus on in its own compliance checks. Although we know attention to other program components varies from state to state (depending on a state's own priorities), all states would devote more attention to substantive matters if the federal government encouraged it.

The issue for handicapped education is whether it will mature differently than Title I. Given the substantial state and local political support for program goals (as compared with compensatory education), the commitment exists to make handicapped education less regulatory in its approach over time, with more attention paid to substantive issues of program quality.

CONCLUSIONS

A number of state officials have argued that federal aid to education has resulted in a "federal takeover," making the states junior partners.[29] Our research indicates that the effect of federal aid has not been that unequivocal. Whether a state remains an independent actor or becomes a junior partner depends not just on federal program requirements, but also on the interaction between individual federal programs and state political and organizational characteristics.

Consequently, we realized that in order to analyze state level implementation of federal programs, we first needed to understand how states manage their own education programs. Even when states decide to run federal programs independently of their own, that decision is based on the same organizational and political factors that shape the state's own agenda.

We found that a state's political culture, particularly the traditional relationship states establish with local jurisdictions, is the most significant factor in explaining state implementation

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[29] For example, see: Joseph M. Cronin, "The Federal Takeover: Should the Junior Partner Run the Firm?" in Federalism at the Crossroads: Improving Educational Policymaking, Institute for Educational Leadership, Policy Paper 2, Washington, D.C., 1976, pp. 1-5.

patterns. In a very real sense, political culture sets the parameters within which general government functions and in turn, the SEA must operate. The notion of political culture presents obvious measurement problems and is a concept political scientists have struggled with for years. In our own work we found that political culture no longer varies by region as much as was once believed.[30] We also know that it is fairly consistent across issue areas and can perhaps be measured best in elite interviews with state level actors--governors, state legislators, and interest group representatives. What emerges from these interviews is a consistent sense of the limits on these officials' roles and their sense of what they can or cannot legitimately do. In describing such limits, we found that state officials, consciously or unconsciously, are describing the state political culture in which they operate. Of course, these notions can also be verified by studies and surveys which have taken a more individual level perspective.[31]

Within the constraints imposed by general government and the state political culture, SEAs define their roles: what activities they will undertake and how they will relate to local districts. An SEA may engage in only the most minimal activities (e.g., fiscal tracking of state and federal funds, enforcement of school safety codes) and establish an essentially passive relationship with local districts. At the other end of the continuum are SEAs that play an active role in local districts, either through extensive standard-setting and regulation or through technical assistance, or in some cases, both.

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[30]The importance of region in distinguishing among state political cultures is mainly derived from Elazar's work. Daniel J. Elazar, American Federalism: A View from the States, second edition, Thomas Crowell, New York, 1972.

[31]An example of such studies would include: Jack Bass and Walter DeVries, The Transformation of Southern Politics, Basic Books, New York, 1976, and several books by Neal R. Pierce: The Border South States, The Megastates of America, and The Pacific States, Norton, New York, 1972.

Obviously, state role affects capacity: states with minimal responsibilities are unlikely to obtain the financial and staff resources needed to build extensive capacity. On the other hand, where the political culture supports a strong state role, general government is more likely to provide the resources to build and maintain SEA capacity.

Just as political culture influences what the SEA does, it also shapes its priorities, particularly the emphasis it gives to services for special needs students as compared with those for general education. These priorities, along with role and capacity, combine to shape a state's response to federal programs.

We found that states have at least some measure of choice in how they respond to federal education programs. Those with the least degree of choice are states with minimal capacity; by default they often become junior partners. Junior partner status is also most likely to occur in small states with a relatively large number of school districts and a small SEA. The fixed costs of participation in federal programs (state plan preparation, local application review and monitoring) fall hardest on these states and leave them with few options but to become junior partners.

Independent actor status is more complex. The most obvious way states can choose to become independent actors is to shape federal programs to fit similar state programs, in effect subordinating federal program objectives to state ones. Those states with a strong commitment to special needs students and programs to support that commitment, are the most likely to choose independent actor status. The result is often greater programmatic development (i.e., more effective service delivery), but it can come at the expense of compliance with federal program regulations. For example, SEA staff may pay more attention to the content of local programs and less to areas of federal concern like fiscal tracking. However, since the states that play such an independent role are those with goals similar to the federal government's, their programs should meet broad federal objectives even if the means differ from the federal government's.

We found that there is a second, rather perverse way for states to remain independent actors. In those states where federal goals are inconsistent with state priorities, the SEA can decide simply to manage the federal program independently and peripherally to the state's own programs. The state, in effect, "works to the rule" and only does as much as is needed to comply with federal regulations. In many ways the federal government encourages this response by its emphasis on regulation and process requirements. In fact, the states have little incentive to offer any more than a minimalist, compliance-oriented response. From the federal perspective, this approach at least ensures that special needs students will receive some additional services. At the same time, a strict compliance approach may preclude greater programmatic development in those states with the will and capacity to do more if greater federal flexibility existed.

In sum, except for those with low institutional capacity, most states can be independent actors if they choose. There is no question that the federal government, through regulation and its grant-in-aid programs, forces the states to serve children that might not have been served otherwise, or at least, in the same way or to the same extent. In this sense, then, the autonomy of all states has been compromised. But within this basic constraint states can choose to subordinate federal to state goals or to keep federal programs from encroaching on the state's primary responsibility, general education. Junior partner status is by no means inevitable for most states.

Implications for the Federal Role

One of our most important, though not unexpected, findings concerns the relationship between state government and federal categorical programs. Put simply: support for the goals and activities funded by federal education programs is minimal in most states. General government opposes categorical funding and, with the exception of handicapped education, groups representing special needs students, wield little political influence. This

finding has obvious implications for federal block grant or program consolidation proposals.

In assessing the potential impact of block grants, we can devise a continuum of states that ranges from those that will change least to those that will change the most. Although the majority of states will fall somewhere between the two extremes, a characterization of these two types is helpful. Those states whose philosophy is consistent with federal goals, that play a strong role in local districts, and have integrated federal programs into the overall SEA structure are likely to change the least. The only major change likely to occur is a shift in the relative position of some special needs categories. Because of existing judicial mandates and its political strength, handicapped education is likely to increase its relative share of the federal aid pie at the expense of compensatory education. State control over local districts will continue and at least partially replace federal constraints.

For those states with little commitment to special needs students and a relatively passive relationship with local districts, block grants will mean major changes. In the face of state legislative and constituent pressure, the targeting of funds for special needs students is likely to be compromised. Without strong federal requirements, such SEAs will lack the will and capacity to enforce even the most minimal categorical requirements effectively. Local districts will face similar political pressure as they attempt to allocate funds with neither technical assistance nor adequate mandates from the state. Consequently, the amount and quality of services for special needs students will depend on the homogeneity of interests and capacity of local districts. This analysis suggests that if alternative federal aid strategies are adopted, special needs students will be best served if targeting requirements are retained and substantive planning by both states and local districts required.[32]

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[32]The initial education block grant legislation enacted by Congress this summer included Title I, but not handicapped or bilingual education programs. However, the Reagan administration plans to press for further consolidation in the coming year.

Although the recent block grant legislation enacted by Congress suggests that this strategy will be the preferred one, at least in the near future, there are other options available. Assuming that the federal government wants to continue its commitment to special needs students and to improve service delivery, it requires a strategy that retains student targeting requirements. Yet at the same time, it should also encourage more than a compliance-oriented response from states and local districts. One obvious option is to treat either specific federal programs or individual states differentially.

Title I and 94-142 represent good examples of how programs might be structured differently, depending on their maturity as social policies. Title I is an older program with its targeting and procedural requirements basically in place. Given that the states are in substantial compliance with Title I mandates, it would now make sense for the federal government to concentrate less on procedural requirements and more on program substance. Such a shift means that the federal government would send different cues to the states through its program regulations and monitoring procedures. While basic student targeting requirements would remain, the federal government could relax other requirements so state resources would be freed to provide more technical assistance on program planning and content.

Title I contrasts with 94-142 which is a newer program still experiencing compliance problems. At this stage of the program's development, federal goals are probably best served by a junior partner status for the states. But the federal government needs to be sensitive to issues of program maturation and the stage of program development when regulatory approaches no longer produce significant results. At that point, both federal and state roles need to change. For federal staff it means concentrating less on monitoring and enforcement, and more on identifying effective practice and disseminating this information among the states. The preferred state role would be similar with cues from the federal level now reinforcing this approach.

In addition to distinguishing among programs on the basis of their maturity, the federal government could also treat states

differentially. Such a strategy has traditionally been considered politically infeasible because it would force the federal government to make relative judgments about state will and capacity. However, there may be some ways that states can be treated differentially without arousing strong political opposition. For example, the fixed costs of participation in federal programs could be reduced by treating smaller states differently than larger ones. Federal program requirements could be reduced or modified depending on a state's student enrollment and number of school districts.

A second way states could be treated differentially is to reward those that meet a certain service standard. For example, 94-142 funds could flow directly into those states with their own handicapped programs offering core protections and a certain level of services. In this way, the federal program would be truly subordinated to the state one, thus encouraging greater state commitment and effort.

Policymakers are once again assessing the federal, and in turn, state and local roles in the federal system. If this new definition of authority and responsibility across governmental levels is to be more than a temporary rebalancing of political interests, it needs to be based on an empirical understanding of what states are willing and able to do in various social policy areas. Our research demonstrates how an examination of state political and organizational factors within one policy area can be used to assess state will and capacity. It also indicates, however, how much more information is needed before we understand state policy systems as well as we now understand policy implementation at the federal level.